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DEPARTMENT OF COMMERCE

International Trade Administration

[A-549-835]

Rubber Bands from Thailand: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) preliminarily determines that rubber bands from Thailand are being or are likely to be sold in the United States at less than fair value (LTFV). The period of investigation (POI) is January 1, 2017, through December 31, 2017. Interested parties are invited to comment on this preliminary determination.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Laurel LaCivita or Stephanie Berger, AD/CVD Operations, Office III, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4243 or (202) 482-2483, respectively.

SUPPLEMENTARY INFORMATION:

Background

This preliminary determination is made in accordance with section 733(b) of the Tariff Act of 1930, as amended (the Act). We published the notice of initiation of this investigation on

February 27, 2018.¹ On June 26, 2018, we postponed the preliminary determination of this investigation. The revised deadline is now August 29, 2018.² For a complete description of the events that followed the initiation of this investigation, *see* the Preliminary Decision Memorandum.³ A list of topics included in the Preliminary Decision Memorandum is included as Appendix II to this notice. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>, and to all parties in the Central Records Unit, room B8024 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/>. The signed and the electronic versions of the Preliminary Decision Memorandum are identical in content.

Scope of the Investigation

The products covered by this investigation are rubber bands from Thailand. For a complete description of the scope of this investigation, *see* Appendix I.

Scope Comments

In accordance with the preamble to our regulations,⁴ the *Initiation Notice* set aside a period of time for parties to raise issues regarding product coverage (*i.e.*, scope).⁵ Certain interested parties provided comments on the scope of the investigation as it appeared in the

¹ *See Rubber Bands from the People's Republic of China, Sri Lanka, and Thailand: Initiation of Less-Than-Fair-Value Investigations*, 83 FR 8424 (February 27, 2018) (*Initiation Notice*).

² *See Rubber Bands from the People's Republic of China and Thailand: Postponement of Preliminary Determinations in the Less-Than-Fair-Value Investigations*, 83 FR 29748 (June 26, 2018).

³ *See* Memorandum, "Decision Memorandum for the Preliminary Determination in the Less-Than-Fair-Value Investigation of Rubber Bands from Thailand," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

⁴ *See Antidumping Duties; Countervailing Duties, Final Rule*, 62 FR 27296, 27323 (May 19, 1997).

⁵ *See Initiation Notice*.

Initiation Notice.⁶ For a summary of the product coverage comments and rebuttal responses submitted to the record for this preliminary determination, and accompanying discussion and analysis of all comments timely received, *see* the Preliminary Scope Decision Memorandum.⁷ We are preliminarily modifying the scope language as it appeared in the *Initiation Notice*. *See* the revised scope in Appendix I to this notice.

Methodology

We are conducting this investigation in accordance with section 731 of the Act. We have calculated export prices in accordance with section 772(a) of the Act. Normal value (NV) is calculated in accordance with section 773 of the Act. For a full description of the methodology underlying the preliminary determination, *see* the Preliminary Decision Memorandum.

All-Others Rate

Sections 733(d)(1)(ii) and 735(c)(5)(A) of the Act provide that in the preliminary determination we shall determine an estimated all-others rate for all exporters and producers not individually examined. This rate shall be an amount equal to the weighted average of the estimated weighted-average dumping margins established for exporters and producers individually investigated, excluding any zero and *de minimis* margins, and any margins determined entirely under section 776 of the Act.

In this investigation, we preliminarily determined a zero rate for Liang Hah Heng International Rubber Co., Ltd.(Liang Hah Heng).⁸ Therefore, the only rate that is not zero, *de*

⁶ *See* Greenbrier's and Conair's letter, "Rubber Bands from, Thailand, China and Sri Lanka: Scope Comments," dated March 12, 2018; Jafferjee's letter, "Rubber Bands from Thailand: Scope Comments," dated March 12, 2018; and, the petitioner's letter, "Petition for the Imposition of Antidumping and Countervailing Duties on Rubber Bands from Thailand and China - Rebuttal Scope Comments," dated March 22, 2018.

⁷ *See* Memorandum, "Rubber Bands from Thailand: Scope Comments Decision Memorandum for the Preliminary Determination," dated concurrently with this notice (Preliminary Scope Decision Memorandum).

⁸ *See* Memorandum, "Analysis Memorandum for the Preliminary Determination of the Antidumping Duty Investigation of Rubber Bands from Thailand: Liang Hah Heng International Rubber Co., Ltd. (Liang Hah Heng)

minimis or based entirely on facts otherwise available is the rate calculated for U. Yong Industry Co., Ltd. (U. Yong).⁹ Consequently, the rate calculated for U. Yong is also assigned as the rate for all-other producers and exporters.

Preliminary Determination

We preliminarily determine that the following estimated weighted-average dumping margins exist:

Exporter/Producer	Estimated Weighted-Average Dumping Margin (percent)
Liang Hah Heng International Rubber Co., Ltd./Hah Shung Heng Co. ¹⁰	0.00
U. Yong Industry Co., Ltd.	5.86
All Others	5.86

Consistent with section 733(b)(3) of the Act, we disregard *de minimis* rates and preliminarily determine that individually examined respondents with *de minimis* rates have not made sales of subject merchandise at LTFV.

Suspension of Liquidation

In accordance with section 733(d)(2) of the Act, we will direct U.S. Customs and Border Protection (CBP) to suspend liquidation of entries of subject merchandise, as described in

and Hah Shung Heng Co. (Hah Shung Heng),” dated concurrently with this notice (Liang Hah Heng’s Preliminary Analysis Memorandum).

⁹ See Memorandum, “Analysis Memorandum for the Preliminary Determination of the Antidumping Duty Investigation of Rubber Bands from Thailand: U. Yong Industry Co., Ltd. (U. Yong),” dated concurrently with this notice (U. Yong’s Preliminary Analysis Memorandum).

¹⁰ We have preliminarily determined that Liang Hah Heng and its affiliated party, Hah Shung Heng Co. (Hah Shung Heng) are a single entity. See Memorandum, “Less-Than-Fair-Value Investigation of Rubber Bands from Thailand: Affiliation and Collapsing Memorandum Regarding Liang Hah Heng International Rubber Co., Ltd. and Hah Shung Heng Co.,” dated July 20, 2018.

Appendix I, entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in the *Federal Register*. Further, pursuant to section 733(d)(1)(B) of the Act and 19 CFR 351.205(d), we will instruct CBP to require a cash deposit equal to the estimated weighted-average dumping margin or the estimated all-others rate, as follows: (1) the cash deposit rate for the respondents listed above will be equal to the company-specific estimated weighted-average dumping margins determined in this preliminary determination, except if that rate is zero or *de minimis*, no cash deposit will be required; (2) if the exporter is not a respondent identified above, but the producer is, then the cash deposit rate will be equal to the company-specific estimated weighted-average dumping margin established for that producer of the subject merchandise; and (3) the cash deposit rate for all-other producers and exporters will be equal to the all-others estimated weighted-average dumping margin.

We normally adjust cash deposits for estimated antidumping duties by the amount of export subsidies countervailed in a companion countervailing duty (CVD) proceeding, when CVD provisional measures are in effect. Accordingly, where we preliminarily make an affirmative determination for countervailable export subsidies, we offset the estimated weighted-average dumping margin by the appropriate CVD rate.

However, in the companion CVD preliminary determination, we have preliminarily determined that no countervailable subsidies are being provided to the production or exportation of subject merchandise, and therefore, we did not direct CBP to suspend liquidation of any such entries.¹¹ Accordingly, we made no adjustment for the prohibited subsidy offset to the estimated weighted-average dumping margin. These suspension of liquidation instructions will remain in effect until further notice.

¹¹ See *Rubber Bands from Thailand: Preliminary Negative Countervailing Duty Determination and Alignment of Final Determination with Final Antidumping Duty Determination*, 83 FR 31728 (July 9, 2018).

Disclosure

We intend to disclose to interested parties the calculations and analysis performed in connection with this preliminary determination within five days of any public announcement or, if there is no public announcement, within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b).

Verification

As provided in section 782(i)(1) of the Act, we intend to verify information relied upon in making our final determination.

Public Comment

Case briefs or other written comments may be submitted to the Assistant Secretary for Enforcement and Compliance no later than seven days after the date on which the last verification report is issued in this investigation. Rebuttal briefs, limited to issues raised in case briefs, may be submitted no later than five days after the deadline date for case briefs.¹² Pursuant to 19 CFR 351.309(c)(2) and (d)(2), parties who submit case briefs or rebuttal briefs in this investigation are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing, limited to issues raised in the case and rebuttal briefs, must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce, within 30 days after the date of publication of this notice. Requests should contain the party's name, address, and telephone number, the number of participants, whether any participant is a foreign national, and a list of the issues to be discussed. If a request for a hearing is made, we intend to hold the

¹² See 19 CFR 351.309; *see also* 19 CFR 351.303 (for general filing requirements).

hearing at the U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230, at a time and date to be determined. Parties should confirm by telephone the date, time, and location of the hearing two days before the scheduled date.

Postponement of Final Determination and Extension of Provisional Measures

Section 735(a)(2) of the Act provides that a final determination may be postponed until not later than 135 days after the date of the publication of the preliminary determination if, in the event of an affirmative preliminary determination, a request for such postponement is made by exporters who account for a significant proportion of exports of the subject merchandise, or in the event of a negative preliminary determination, a request for such postponement is made by the petitioner. Section 351.210(e)(2) of our regulations requires that a request by exporters for postponement of the final determination be accompanied by a request for extension of provisional measures from a four-month period to a period not more than six months in duration.

On July 31, 2018, and August 1, 2018, in accordance with 19 CFR 351.210(b)(2)(ii), Liang Hah Heng and U. Yong requested to postpone the final determination for a maximum of 135 days after the date of publication of the preliminary determination in the *Federal Register*, in the event that we issued an affirmative preliminary determination.¹³ Liang Hah Heng and U. Yong, pursuant to 19 CFR 351.210(e)(2), also requested an extension of provisional measures from a four-month period to a period not more than six months in duration.¹⁴ In accordance with section 735(a)(2)(A) of the Act and 19 CFR 351.210(b)(2)(ii), because: (1) the preliminary determination is affirmative; (2) the requesting exporters account for a significant proportion of exports of the subject merchandise; and (3) no compelling reasons for denial exist, we are

¹³ See Liang Hah Heng's letter, "Rubber Bands from Thailand: Request to Extend the Deadline for the Final Determination," dated July 31, 2018; U. Yong's letter, "Rubber Bands from Thailand: Conditional Request for Extension of Final Determination," dated August 1, 2018.

¹⁴ *Id.*

postponing the final determination and extending the provisional measures from a four-month period to a period not greater than six months. Accordingly, we will make our final determination no later than 135 days after the date of publication of this preliminary determination.

International Trade Commission Notification

In accordance with section 733(f) of the Act, we will notify the International Trade Commission (ITC) of our preliminary determination. If the final determination is affirmative, the ITC will determine before the later of 120 days after the date of this preliminary determination or 45 days after the final determination whether these imports are materially injuring, or threaten material injury to, the U.S. industry.

Notification to Interested Parties

This determination is issued and published in accordance with sections 733(f) and 777(i)(1) of the Act and 19 CFR 351.205(c).

Dated: August 29, 2018.

Christian Marsh,

Deputy Assistant Secretary

for Enforcement and Compliance.

Appendix I

Scope of the Investigation

The products subject to this investigation are bands made of vulcanized rubber, with a flat length, as actually measured end-to-end by the band lying flat, no less than ½ inch and no greater than 10 inches; with a width, which measures the dimension perpendicular to the length, actually of at least 3/64 inch and no greater than 2 inches; and a wall thickness actually from 0.020 inch to 0.125 inch. Vulcanized rubber has been chemically processed into a more durable material by the addition of sulfur or other equivalent curatives or accelerators. Subject products are included regardless of color or inclusion of printed material on the rubber band's surface, including but not limited to, rubber bands with printing on them, such as a product name, advertising, or slogan, and printed material (*e.g.*, a tag) fastened to the rubber band by an adhesive or another temporary type of connection. The scope includes vulcanized rubber bands which are contained or otherwise exist in various forms and packages, such as, without limitation, vulcanized rubber bands included within a desk accessory set or other type of set or package, and vulcanized rubber band balls. The scope excludes products that consist of an elastomer loop and durable tag all-in-one, and bands that are being used at the time of import to fasten an imported product.

Excluded from the scope of this investigation are vulcanized rubber bands of various sizes with arrow shaped rubber protrusions from the outer diameter that exceeds at the anchor point a wall thickness of 0.125 inches and where the protrusion is used to loop around, secure and lock in place.

Excluded from the scope of this investigation are yarn/fabric-covered vulcanized rubber hair bands, regardless of size.

Merchandise covered by this investigation is currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under subheading 4016.99.3510. Merchandise covered by the scope may also enter under HTSUS subheading 4016.99.6050. While the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of the investigation is dispositive.

Appendix II

List of Topics Discussed in the Preliminary Decision Memorandum

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